

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2013-86-C - ORDER NO. 2013-350
MAY 29, 2013

IN RE: Application of Time Warner Cable Business)	ORDER GRANTING
LLC d/b/a Time Warner Cable for a)	MOTION FOR
Certificate of Public Convenience and)	EXPEDITED REVIEW,
Necessity to Provide Interexchange)	WAIVING HEARING
Telecommunications Services and for)	REQUIREMENT, AND
Alternative Regulation)	APPROVING
)	APPLICATION

This matter comes before the Public Service Commission of South Carolina (the “Commission”) by way of the motion of Time Warner Cable Business LLC, doing business as Time Warner Cable, (“TWC Business” or the “Company”) pursuant to S.C. Reg. 103-829 and other applicable rules of practice and procedure of the Commission for expedited review of the Company’s Application for a Certificate of Public Convenience and Necessity to provide interexchange telecommunications services within the State of South Carolina (“Application”). The Company’s Application was filed pursuant to S.C. Code Ann. § 58-9-280 (Supp. 2012). By its Application, TWC Business also requested alternative regulation of its interexchange services consistent with Commission Orders and waiver of certain Commission regulations.

The Clerk’s Office instructed TWC Business to publish, one time, a Notice of Filing in newspapers of general circulation in the areas of the state affected by the Application. The purpose of the Notice of Filing was to inform interested parties of the Application of TWC Business and of the manner and time in which to file the appropriate

pleadings for participation in the proceeding. TWC Business complied with this instruction and provided the Commission with proof of publication of the Notice of Filing.

The South Carolina Telephone Coalition (“Coalition”) filed a Petition to Intervene on April 15, 2013, but ultimately did not oppose the Application or the motion seeking expedited review. The S.C. Office of Regulatory Staff (“ORS”) and TWC Business entered into a Settlement Agreement that is attached and incorporated as Order Exhibit 1. TWC Business has agreed to incorporate certain tariff revisions requested by the Coalition and ORS in the initial tariff.

According to the Application and the verified testimony of Julie Laine, Time Warner Cable Inc. (“TWC”) is the ultimate corporate parent of TWC Business and Time Warner Cable Information Services (South Carolina), LLC (“TWCIS”). TWC created TWC Business as a separate legal entity to offer wholesale and retail commercial customers with intrastate and interstate interexchange transmission services throughout the State of South Carolina and the United States. Ms. Laine testified that, when customers have operations in multiple locations spanning several states, including South Carolina, it is more efficient for a single carrier entity to provide these services than for TWC to have multiple carriers each operating in different states. Ms. Laine also testified that, because these services are generally tailored to large, sophisticated customers, they will be designed on an individual case basis pursuant to negotiated customer contracts. TWC Business does not propose to offer local services in South Carolina. TWCIS will continue to provide local and interexchange voice services throughout South Carolina.

The record reveals that TWC Business is a limited liability company organized under the laws of the State of Delaware on January 9, 2013, and that the Company is registered to transact business in South Carolina as a foreign corporation.

Ms. Laine discussed TWC Business's technical, financial, and managerial resources to provide the services for which it seeks authority. Ms. Laine indicated that the Company will operate pursuant to intercompany agreements with TWC and its affiliates including TWCIS to provide the proposed services. Like TWCIS, TWC Business will rely on TWC to provide the financial resources and support necessary for it to enter the South Carolina market. TWC Business will be supported by the same experienced professionals currently providing local and interexchange services in South Carolina and elsewhere. TWC Business will use the existing hybrid coaxial and fiber optic network facilities of its affiliates. TWC Business intends to also lease and build additional network facilities as needed.

Ms. Laine testified that approval of TWC Business's Application would serve the public interest by increasing the level of competition in the interexchange telecommunications services market for high capacity transmission services. Competition in the telecommunications marketplace inspires innovation and development of services that meet customer needs cost effectively.

The Company requests a waiver of S.C. Code Ann. Regs. 103-610, since the Company's books are maintained in New York. Further, the Company requests an exemption from record keeping policies that require maintenance of financial records in conformance with the Uniform System of Accounts ("USOA"). TWC Business

maintains its books in accordance with Generally Accepted Accounting Principles (“GAAP”). TWC Business also requested waivers of the S.C. Code Ann. Regs. 103-612.2.3’s requirement to file operating maps since it seeks statewide certification and the requirement to include rates in its tariff since it will be offering service to commercial customers on an individual case basis. The Company indicated that all requesting customers will have non-discriminatory access to individual case basis services and facilities at non-discriminatory rates, terms and conditions.

After consideration of the applicable law, the Company’s Application, the verified testimony of Ms. Laine, and the motion for expedited review, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. TWC Business was incorporated under the laws of the State of Delaware and is authorized to do business as a foreign corporation in South Carolina by the Secretary of State.

2. At the time Ms. Laine’s testimony was filed, TWC Business was authorized to provide intrastate telecommunications services in the States of Massachusetts, North Carolina, Texas, and Washington and was seeking authority to provide the same proposed services in the following states: Alabama, Arizona, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Kansas, Kentucky, Maine, Michigan, Missouri, Nebraska, New Hampshire, New Jersey, New Mexico, New York, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and Wisconsin.

3. TWC Business seeks authority to operate as a provider of interexchange telecommunications services in South Carolina.

4. We find that TWC Business possesses the managerial experience and capability to operate as a provider of interexchange telecommunications services in South Carolina.

5. We find, based on the financial statements of the parent corporation submitted by the Company and the testimony, that TWC Business possesses sufficient financial resources to provide the services as described in its Application and testimony.

6. We find that the issuance of a Certificate of Public Convenience and Necessity to TWC Business to provide interexchange telecommunications services in South Carolina would be in the best interest of the citizens of South Carolina by providing more competitive choices for services.

7. TWC Business requests a waiver of 10 S.C. Code Ann. Regs. 103-610. The Commission finds TWC Business's requested waiver reasonable and understands the potential difficulty presented to TWC Business should the waiver not be granted. Further, we find that a waiver of 10 S.C. Code Ann. Regs. 103-610 to be in the public interest. We also believe that exemption from the policies that would require the Company to keep its records under the USOA is reasonable. TWC Business also requested a waiver of 10 S.C. Code Ann. Regs. 103-612.2.3's requirement to file operating maps. We find the requested waiver reasonable since the Company seeks statewide certification. Finally, TWC Business seeks a waiver of the requirement to include rates in its tariff since it will be offering service to commercial customers on an

individual case basis. The Commission grants this waiver since all requesting customers will have non-discriminatory access to services and facilities on an individual case basis at non-discriminatory rates, terms and conditions.

8. TWC Business sought expedited review of its Application on the grounds that (1) due process requirements are satisfied if the Applicant waives the right to a hearing when there is no disputed material issue of fact and (2) notice and the opportunity to present written evidence is sufficient to provide the procedural due process protection.

CONCLUSIONS OF LAW

1. TWC Business will be relying on the same managerial, technical and financial support that TWCIS has relied upon to provide a full array of services through TWCIS since 2004. Therefore, the Commission concludes that TWC Business possesses the managerial, technical, and financial resources to provide the telecommunications services as described in its Application.

2. The Commission concludes that the issuance of the authority to provide intrastate interexchange telecommunications services as requested by TWC Business and as set forth in its Application and Ms. Laine's testimony is in the best interest of the citizens of the State of South Carolina.

3. The Commission concludes that a Certificate of Public Convenience and Necessity should be granted to TWC Business to provide intrastate interexchange telecommunications services.

4. Should TWC Business propose to offer residential interexchange services in the future, the Commission adopts a rate design for TWC Business for those residential

interexchange services which includes maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

5. Should TWC Business propose to offer residential interexchange services in the future, TWC Business shall not adjust its residential interexchange rates for end-users below the approved maximum level without notice to the Commission and to the public. For any future residential interexchange service offerings, TWC Business shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level for residential interexchange services reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. § 58-9-540 (Supp. 2012).

6. The Commission concludes that any private line service offerings and any future business services offerings be regulated in accordance with the principles and

procedures established for alternative regulation of business service offerings set out in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. The Commission has previously granted this “alternative regulation” to competitive intrastate interexchange carriers operating within South Carolina, and the Commission concludes that the competitive marketplace requires the Commission to allow this flexible regulation to those carriers which request it. Specifically, the Commission-approved alternative regulation allows business service offerings, including consumer card services and operator services, to be subject to a relaxed regulatory scheme identical as set forth in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C as modified by Order No. 2001-997 in Docket No. 2000-407-C.

7. We conclude that TWC Business’s request for waiver of S.C. Code Ann. Regs. 103-610 should be granted as strict compliance with the regulation would potentially cause undue hardship on that Company. We also grant exemption from the policies requiring the use of USOA. We conclude that the request for a waiver of S.C. Code Ann. Regs. 103-612.2.3 should be granted since the Company seeks statewide certification. We also conclude that the waiver of the requirement to include rates in TWC Business’s tariff is reasonable based on the type of service the Company will be offering and on the potential commercial customers it intends to serve.

8. We conclude that it is appropriate to grant the motion for expedited review. The Administrative Procedures Act (“APA”) provides that “in a contested case, all parties must be afforded an opportunity for hearing after notice not less than thirty days.” S.C. Code Ann. § 1-23-320(a) (Supp. 2012). The provisions of the APA ensure

that procedural due process requirements are satisfied. The APA also provides some flexibility to agencies regarding hearings for contested cases. "Unless precluded by law, informal disposition may be made of any contested case by stipulation, agreed settlement, consent order or default." S.C. Code Ann. § 1-23-320(f) (Supp. 2012). In this case, the requirements of notice and an opportunity for a hearing have been satisfied, and there has been no objection by the ORS, the Coalition or any member of the public to the motion. Accordingly, the Commission may appropriately dispense with the hearing as there is no genuine issue as to a material issue of fact.

Having reviewed the Application, the supporting verified testimony, and the Motion for Expedited Review, the Commission grants expedited review, waives the formal evidentiary hearing, and approves the Application.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

1. A Certificate of Public Convenience and Necessity should be granted to TWC Business to provide intrastate interexchange telecommunications services within the State of South Carolina.
2. The Company's rate designs for its products shall conform to those designs described in Conclusions of Law above.
3. TWC Business shall file its initial tariff within thirty (30) days of receipt of this Order. The tariff should be electronically filed in a text searchable PDF format using the Commission's DMS system (<http://dms.psc.sc.gov>). An additional copy should be sent via email to etariff@psc.sc.gov to be included in the Commission's ETariff System (<http://etariff.psc.sc.gov>). Future revisions to the tariff should be made using the

ETariff System. The tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations.

4. The Company's service is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers and facilities-based interexchange carriers should be treated similarly.

5. Should the Company offer voice services to end users in the future, with regard to the origination and termination of toll calls within the same LATA, TWC Business shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993), with the exception of the 10-XXX intraLATA dialing requirement, which has been rendered obsolete by the toll dialing parity rules established by the FCC pursuant to the Telecommunications Act of 1996 (See, 47 CFR 51.209). Specifically, TWC Business shall comply with the imputation standard as adopted by Order No. 93-462 and more fully described in paragraph 4 of the Stipulation and Appendix B approved by Order No. 93-462.

6. TWC Business shall file annual financial information in the form of annual reports and gross receipts reports as required by the Commission. The annual report and the gross receipt report will necessitate the filing of intrastate information. Therefore, TWC Business shall keep financial records on an intrastate basis for South Carolina to comply with the annual report and gross receipts filings. The proper form for filing annual financial information can be found at the Commission's website at www.psc.sc.gov/forms.asp or at the ORS's website at www.regulatorystaff.sc.gov. The

title of this form is “Telecommunications Company Annual Report.” This form shall be utilized by the Company to file annual financial information with the Commission and ORS and shall be filed no later than April 1st.

Commission gross receipts forms are due to be filed with the Commission and ORS no later than August 31st of each year. The proper form for filing gross receipts information can be found at the ORS website at www.regulatorystaff.sc.gov, and the appropriate form is entitled “Gross Receipts Form.”

Each telecommunications company certified in South Carolina is required to file annually with the ORS the Intrastate Universal Service Fund (“USF”) worksheet, which may be found on the ORS’s website at www.regulatorystaff.sc.gov. This worksheet provides ORS information required to determine each telecommunications company’s liability to the State USF fund. The Intrastate USF worksheet is due to be filed annually no later than July 1st with the Commission and ORS.

7. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests and repairs. In addition, the Company shall provide to the Commission and ORS in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. TWC Business shall file the names, addresses and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. The “Authorized Utility Representative Information” form can be found at the Commission’s

website at www.psc.sc.gov/forms.asp and on ORS's website at www.regulatorystaff.sc.gov; this form shall be utilized for the provision of this information to the Commission and ORS. Further, the Company shall promptly notify the Commission and ORS in writing if the representatives are replaced.

8. The Company is directed to comply with all Rules and Regulations of the Commission, unless a regulation is specifically waived by the Commission.

9. TWC Business requested waivers of S.C. Code Ann. Regs. 103-610 and 103-612.2.3. In addition, the Company requested a waiver of any requirement that it use the USOA and that it be permitted to use GAAP. Further, the Company requested a waiver of the requirement to include rates in its tariff. The Commission finds TWC Business's requested waivers reasonable when considering the type of services the Company has proposed to offer and understands the potential difficulty presented to TWC Business should the waivers not be granted. The Commission therefore grants the requested waivers. However, TWC Business shall make available its books and records at all reasonable times upon request by the Office of Regulatory Staff, and TWC Business shall promptly notify the Commission and ORS if the location of its books and records changes.

10. The Settlement Agreement is hereby approved and incorporated as part of this Order.

11. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


David A. Wright, Chairman

ATTEST:


Randy Mitchell, Vice Chairman

(SEAL)

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2013-86-C
April 29, 2013

IN RE:	Application of Time Warner Cable Business LLC)	
	d/b/a Time Warner Cable for a Certificate of)	
	Public Convenience and Necessity to Provide)	SETTLEMENT
	Interexchange Telecommunications Services and)	AGREEMENT
	for Alternative Regulation)	

This Settlement Agreement (“Settlement Agreement”) is made by and among the Office of Regulatory Staff (“ORS”) and Time Warner Cable Business LLC d/b/a Time Warner Cable (“TWC” or the “Company”) (collectively referred to as the “Parties” or sometimes individually as “Party”).

WHEREAS, on March 8, 2013, TWC filed its Application requesting that (i) a Certificate of Public Convenience and Necessity (“CPCN”) be granted authorizing the Company to provide facilities-based interexchange telecommunications services throughout the State of South Carolina; (ii) alternative regulation of its interexchange business services be consistent with the Public Service Commission of South Carolina (the “Commission”) Order Nos. 1995-1734 and 1996-55 in Docket No. 1995-661-C, as modified by Commission Order No. 2001-997 in Docket No. 2000-407-C; and (iii) waiver of certain regulations of the Commission, specifically 10 S.C. Code Ann. Regs. 103-610 (2012) regarding location of records, 10 S.C. Code Ann. Regs. 103-611 (2012) regarding use of the Federal Communications Commission’s (“FCC”) Uniform System of Accounts (“USOA”), and 10 S.C. Code Ann. Regs. 103-612-2.3 (2012) regarding the filing of operating area maps;

WHEREAS, on March 12, 2013, counsel for ORS entered a Notice of Appearance in this matter;

WHEREAS on March 13, 2013, the Commission issued a Notice of Filing and Hearing and established a return date of April 15, 2013, for the filing of letters of protest or petitions to intervene and established a hearing date of June 3, 2013, for the Application to be heard before a hearing examiner;

WHEREAS, on March 26, 2013, the Commission issued its Order No. 2013-171 by which the Commission appointed Randall Dong, Esquire as the Hearing Examiner in this matter;

WHEREAS, on April 15, 2013, the South Carolina Telephone Coalition filed a Petition to Intervene in this Docket;

WHEREAS, on April 22, 2013, TWC pre-filed the direct testimony of Julie Laine with the Commission;

WHEREAS, since the filing of the notice, ORS has conducted a review of the technical and managerial expertise of TWC to provide the services requested in the Application;

WHEREAS, ORS has reviewed TWC's financial statements filed as Exhibit 4 to the Application;

WHEREAS, ORS has calculated certain performance ratios based upon information provided by TWC;

WHEREAS, ORS has investigated the services to be offered by TWC and its intended customer service plans;

WHEREAS, ORS has reviewed the proposed tariffs filed as Exhibit 6 of the Application;

WHEREAS, ORS has reviewed the pre-filed testimony of Julie Laine;

WHEREAS, as a result of its investigations, ORS has determined that (a) TWC intends to provide facilities-based interexchange telecommunications services throughout the State of South Carolina; (b) the officers of TWC possess sufficient technical and managerial abilities to adequately provide the services applied for; (c) based upon the information provided and the analysis performed, TWC appears to have access to sufficient financial resources necessary to provide the services proposed in its Application; (d) TWC's proposed tariffs set forth in Exhibit 6 of its Application with the revisions by ORS, accepted by TWC, and subject to any applicable waivers granted by the Commission, comply with Commission statutes and regulations; (e) the services provided by TWC will meet the service standards

required by the Commission; (f) the provision of services by TWC will not adversely impact the availability of affordable telecommunications services; (g) to the extent it is required to do so by the Commission, TWC will participate in the support of universally available telephone service at affordable rates; and (h) the provision of interexchange services by TWC will not adversely impact the public interest;

WHEREAS, to ensure compliance with the Commission's statutes and regulations, the Parties have agreed to the following comprehensive settlement of all issues in this docket;

WHEREFORE, in the spirit of compromise, the Parties hereby stipulate and agree to the following terms and conditions:

1) The Parties agree that TWC's Application and exhibits attached to the Application are incorporated into this Settlement Agreement and made a part hereof;

2) The Parties agree to stipulate into the record before the Commission this Settlement Agreement. The Parties also agree to stipulate to the pre-filed testimony of TWC's witness Julie Laine without cross-examination by ORS;

3) The Parties agree that TWC should be granted a CPCN to provide facilities-based interexchange telecommunications services within the state of South Carolina;

4) ORS does not oppose TWC's requests for alternative regulation consistent with the procedures described and set forth in Commission Order Nos. 1995-1734 and 1996-55 in Docket No. 1995-661-C as modified by Order No. 2001-997 in Docket No. 2000-407-C, specifically (i) regulation of these services listed above in the same manner as these services of similarly regulated companies; (ii) removal of the maximum rate tariff requirements for TWC's business services, private line, and customer network-type offerings, except in instances governed by Commission Order No. 2001-997, which reinstituted maximum rates for surcharges and rates associated with certain intrastate operator-assisted calls; (iii) presumptively valid tariff filings for these interexchange services unless an investigation of a particular filing is instituted within seven (7) days, in which case the tariff filing will be suspended until resolution of the investigation or until further order of the Commission; and (iv) grant TWC the same

treatment as similarly regulated companies in connection with any future relaxation of reporting requirements;

5) TWC has requested a waiver of 10 S.C. Code Ann. Regs. 103-610 (2012) concerning the location of books and records. However, S.C. Code Ann. § 58-9-380 (Supp. 2012) provides that:

Each telephone utility shall have an office in one of the counties of this State in which its property or some part thereof is located and shall keep in such office all such books, accounts, papers and records as shall reasonably be required by the Office of Regulatory Staff to be kept within the State. No books, accounts, papers or records required by the Office of Regulatory Staff to be kept within the State shall be removed at any time from the State except upon such conditions as may be prescribed by the Office of Regulatory Staff.

ORS is agreeable to allowing TWC to maintain its books and records outside of the State of South Carolina in exchange for TWC agreeing to provide access to its books and records. ORS is agreeable to TWC maintaining its books and records at its principal offices in New York, New York and TWC agrees to notify the ORS of any change in the location of the principal office or in the location where the books and records are maintained. This provision of the Settlement Agreement shall not be construed as a waiver by ORS of S.C. Code Ann. § 58-4-55 (Supp. 2012) or § 58-9-1070 (Supp. 2012). ORS expressly reserves its rights to require the production of books, records and other information located within or outside of the State of South Carolina in order to carry out its duties in compliance with any state or federal regulation;

6) TWC has requested a waiver of any rule or regulation that might require a carrier to maintain its financial records in conformance with the USOA. TWC acknowledges that S.C. Code Ann. § 58-9-340 (Supp. 2012) provides that ORS may, in its discretion and subject to the approval of the Commission, prescribe systems of accounts to be kept by telephone utilities subject to the commission's jurisdiction and that the ORS may prescribe the manner in which the accounts shall be kept and may require every telephone utility to keep its books, papers, and records accurately and faithfully according to the system of accounts as prescribed by the ORS. TWC agrees to keep its books, papers, and records in such a manner that permits ORS to audit its revenues and expenses associated with its South Carolina

operations for compliance with programs such as but not limited to the Universal Service Fund ("USF"), the Interim LEC Fund, and gross receipts. TWC agrees to complete the reporting forms for such programs including but not limited to USF, dual party relay service fund, Interim LEC, and gross receipts as may be required by the ORS of telecommunications companies certificated to operate within South Carolina and as the reporting forms may be amended from time to time;

7) ORS does not oppose TWC's request for a waiver from filing operating maps as required pursuant to 10 S.C. Code Ann. Regs. 103.612-2.3 (2012);

8) In reliance on TWC's representation that all of the proposed services will be provided pursuant to individually negotiated contracts with commercial customers, ORS does not oppose TWC's request for waiver of the requirement to include rates in its proposed tariff. However, in the event that TWC offers retail long distance services, TWC will include rates in its tariff;

9) TWC agrees to maintain its books and records associated with its South Carolina operations in a manner that would permit ORS to examine any of TWC's reports filed with the Commission and provided to ORS;

10) TWC agrees to file with the Commission and ORS a completed authorized utility representative form within thirty (30) days of the Commission's order;

11) To the extent TWC resells services of an interexchange carrier, TWC agrees to utilize the services of interexchange carriers authorized to do business in South Carolina by the Commission;

12) To the extent applicable, TWC agrees that it will allow an end-user of resold services to access an alternative interexchange carrier or operator service provider if the end-user expresses such a desire;

13) TWC agrees to file necessary financial information with the Commission and ORS for USF reporting, interim LEC fund reporting, annual reporting, gross receipts reporting, and/or any other reporting which may now or in the future be applicable to telecommunications providers such as TWC. The Parties agree that such reports shall be filed pursuant to ORS's instructions and that monies shall be remitted in accordance with the directions of ORS and the Commission's requirements;

14) In the event that TWC offers prepaid calling card services in the future, TWC agrees that it shall post a surety bond in the amount of \$5,000 as required by the Commission;

15) In the event that TWC offers long distance services to end users, TWC agrees to comply with the verification regulations governing change of preferred carriers as established by FCC. In addition, in the event that TWC offers long distance services to end users, TWC agrees to comply with the marketing practices and guidelines established by the Commission in Order No. 1995-658;

16) TWC agrees to comply with S.C. Code Ann. § 58-9-300 (Supp. 2012) entitled "Abandonment of Service." Additionally, to the extent applicable, TWC agrees to adhere to the FCC's Rule 47 C.F.R. § 64.1190 and 64.1130 regarding preferred carrier freezes and the requirement that the form of the written authorization for the institution of the freeze be a separate or easily separable document. Prior to abandonment of service, TWC shall remove any preferred carrier freeze so as to enable consumers to seamlessly transfer their telephone numbers to another provider;

17) TWC agrees to comply with all orders, directives, guidelines, rules and regulations of the Commission unless the Commission has expressly waived such requirement, rule or regulation;

18) TWC agrees to file a final revised tariff with both ORS and the Commission within 30 days after issuance of the Order granting certification. The Company shall file its revised tariff utilizing the Commission's e-filing system for tariffs. The revised tariff should be electronically filed in a text searchable PDF format using the Commission's DMS System (<http://dms.psc.sc.gov>). An additional copy should be sent via email to etariff@psc.sc.gov to be included in the Commission's ETariff System (<http://etariff.psc.sc.gov>). Future revisions to the tariff should be made using the ETariff System. The revised tariff shall be consistent with the findings of the Order granting certification and shall be consistent with the Commission's Rules and Regulations, as well as the provisions set forth in this Settlement Agreement;

19) ORS is charged by law with the duty to represent the public interest of South Carolina pursuant to S.C. Code Ann. § 58-4-10(B) (Supp. 2012). S.C. Code Ann. § 58-4-10(B)(1) through (3) read in part as follows:

... 'public interest' means a balancing of the following:

- (1) concerns of the using and consuming public with respect to public utility services, regardless of the class of customer;
- (2) economic development and job attraction and retention in South Carolina; and
- (3) preservation of the financial integrity of the State's public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.

ORS believes the Settlement Agreement reached among the Parties serves the public interest as defined above;

20) The Parties agree to advocate that the Commission accept and approve this Settlement Agreement in its entirety as a fair, reasonable and full resolution of all issues in the above-captioned proceeding and that the Commission take no action inconsistent with its adoption. The Parties further agree to cooperate in good faith with one another in recommending to the Commission that this Settlement Agreement be accepted and approved by the Commission. The Parties agree to use reasonable efforts to defend and support any Commission order issued approving this Settlement Agreement and the terms and conditions contained herein;

21) The Parties represent that the terms of this Settlement Agreement are based upon full and accurate information known as of the date this Settlement Agreement is executed. If, after execution, either Party is made aware of information that conflicts with, nullifies, or is otherwise materially different than that information upon which this Settlement Agreement is based, either Party may withdraw from the Settlement Agreement with written notice to the other Party;

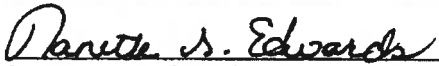
22) The Parties agree that signing this Settlement Agreement will not constrain, inhibit, impair or prejudice their arguments or positions held in other collateral proceedings, nor will it constitute a precedent or evidence of acceptable practice in future proceedings. If the Commission declines to approve the Settlement Agreement in its entirety, then any Party desiring to do so may withdraw from the Settlement Agreement in its entirety without penalty or obligation;

23) This Settlement Agreement shall be interpreted according to South Carolina law; and

24) The above terms and conditions fully represent the agreement of the Parties hereto. Therefore, each Party acknowledges its consent and agreement to this Settlement Agreement by affixing its signature or by authorizing counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and email signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the original signature pages combined with the body of the document constituting an original and provable copy of this Settlement Agreement. The Parties agree that in the event any Party should fail to indicate its consent to this Settlement Agreement and the terms contained herein, then this Settlement Agreement shall be null and void and will not be binding on any Party.

[PARTY SIGNATURES TO FOLLOW ON SEPARATE PAGES]

Representing the South Carolina Office of Regulatory Staff



Nanette S. Edwards, Esquire

South Carolina Office of Regulatory Staff

1401 Main Street, Suite 900


Columbia, South Carolina 29201

Tel.: (803) 737-0800

Fax: (803) 737-0895

Email: nsedwar@regstaff.sc.gov

Representing Time Warner Cable Business LLC d/b/a Time Warner Cable


Bonnie D. Shealy, Esquire
Robinson, McFadden & Moore, P.C.

1901 Main Street, Suite 1200

Post Office Box 944

Columbia, South Carolina 29202

Tel.: (803) 779-8900

Fax: (803) 252-0724

Email: bshealy@robinsonlaw.com